

MOTION BY SUPERVISOR GLORIA MOLINA

September 4, 2007

The California Enterprise Zone Program was created to stimulate economic growth in economically distressed areas throughout the state. The program is a long-term (15-year) partnership between local governments and private companies to generate new private sector investment and growth. The state provides performance-based tax credits and incentives to Enterprise Zone businesses to, among other goals, promote "Smart Growth" by revitalizing chronically deteriorated areas; hire the most difficult-to-hire residents in private sector jobs; and retain, expand, and reward businesses that participate in these objectives.

The State of California's Department of Housing and Community Development (HCD) issued a request for applications for Enterprise Zone designation to fill eight expiring Enterprise Zones. Applications must be completed and submitted to HCD by Friday, November 16, 2007.

The City of Los Angeles Community Development Department (City) is preparing an Enterprise Zone application for the eastern area of the city, and Los Angeles County has the opportunity to participate in a joint Enterprise Zone application to HCD that includes adjacent unincorporated East Los Angeles. Almost all of unincorporated East Los Angeles meets HCD's stringent criteria of low increases in per capita income, high

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unemployment rates, the number of people living below the poverty line, and the percentage of low-income households. Because of the small number of available Enterprise Zone openings for the entire state, a joint city/county effort would make for a strong application.

I, THEREFORE, MOVE that the Board of Commissioners of the Los Angeles County Community Development Commission:

1. Find that execution of a consultant contract to prepare an Enterprise Zone Application for Designation to the State of California's Department of Housing and Community Development (HCD) is not subject to the California Environmental Quality Act because the proposed activity will not have the potential for causing a significant effect on the environment.
2. Authorize the Executive Director of the Los Angeles County Community Development Commission to execute a contract with Jack Faucett Associates to be effective following approval as to form by County Counsel and execution by all parties, and any required amendments, in an amount not to exceed \$150,000, which will be comprised of First District Economic Development funds and Maravilla Tax Increment funds, both included in the commission's approved Fiscal Year 2007-2008 budget, for the preparation of an Enterprise Zone Application for Designation for unincorporated East Los Angeles, which will be submitted to HCD as a joint application with the City of Los Angeles.